



December 15, 2003

**BY HAND DELIVERY & ELECTRONIC MAIL**

Ms. Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

**Re: Docket 3463 – 2004 DSM Program Settlement of the Parties -  
Response Regarding Schools Initiative and Energy Star Homes**

Dear Ms. Massaro:

At the Docket 3463 hearing held on November 21, 2003, the Commission asked The Narragansett Electric Company (“Narragansett” or “Company”) and the DSM Collaborative<sup>1</sup> to consider offering the Company’s Schools Initiative program in 2004 to private elementary and secondary schools building new facilities. This would be in addition to the public schools that were originally slated for the program as part of the Collaborative’s originally filed 2004 DSM program settlement submitted for Commission approval on September 12, 2003. By this letter, I am notifying the Commission that the Company has no objection to expanding the Schools Initiative program to include private schools as part of the 2004 DSM program. I have also been authorized by the members of the Collaborative to state that they similarly support the expansion of the Schools Initiative program to include private schools.

Under the expanded Schools Initiative program, the Company would use the same level of effort to offer the program to private schools as to public schools. However, because the Collaborative is uncertain about the size of the potential private school new construction population, it wants to clarify that the performance metric for target enrollment of three schools under the Schools Initiative, established under Revised Attachment 7 to the Settlement, should be clarified to indicate that it applies only to public schools in 2004. In future years, the Collaborative may recommend a performance metric that includes both public and private schools as better information about the private school population becomes available.

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<sup>1</sup> The DSM Collaborative entered into a settlement agreement establishing the proposed DSM program for 2004 and requested Commission approval of same. The Collaborative is made up of the Division of Public Utilities and Carriers, the State Energy Office, the Energy Consortium of Rhode Island (“TEC-RI”), the Coalition for Consumer Justice and the Company.

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The Commission has also asked the Company for more information about the participation of the Rhode Island Home Builders Association (RIHBA) in the ENERGY STAR Homes program. RIHBA currently supports the program by offering three ENERGY STAR Home Builder of the Year awards (large developer, custom home builder, affordable housing developer) at the Rhode Island Home Show and by sponsoring the Rhode Island Energy Efficient Building Competition for the Vocational Schools held at the Community College of Rhode Island.

Thank you for your attention to this matter. I believe that this letter closes the loop on any outstanding issues that the Commission may have concerning this docket. Please do not hesitate to contact me if you have any questions concerning this letter.

Very truly yours,

Terry L. Schwennesen

Enclosures

C: Docket 3463 Service List